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SUBJECT: LEBANON: PARLIAMENT OPEN; NOT CLEAR WHEN IT WILL TAKE UP
IPR LEGISLATION (ECONOMIC WEEK IN REVIEW, AUGUST 25 - 31, 2008)

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IPR RELATED LEGISLATION
STILL PENDING IN PARLIAMENT

[1](#)1. (SBU) A senior legal trade specialist at the Ministry of Economy and Trade (MOET) told us on August 27 that, although parliament has reopened, it is not known yet if there will be progress on IPR-related draft laws and amendments that were sent to parliament in 2007. These include an amendment to the copyright law, and new draft laws on geographical indications, trademark, and industrial design. The draft legislation must be still studied by the relevant parliamentary committees. Priority is being given to passing the electoral law during the current parliamentary session, after which all other pending legislation will be considered, she said.

[1](#)2. (SBU) One pending question, said the MOET official, is whether Speaker Berri will confirm receipt of these draft laws and amendments, which were sent to parliament when it was not functioning. At the time, Speaker Berri did not acknowledge receipt because he considered the cabinet that sent them illegitimate. The fact that Berri stated, right after President Sleiman was elected, that parliament would now focus on laws related to Paris III, may be a positive sign that Berri may accept and take into consideration legislation that was sent to parliament when it was closed, she said.

LEBANON WILL PURCHASE EGYPTIAN
ELECTRICITY TO REDUCE POWER CUTS

[1](#)3. (SBU) During PM Siniora's visit to Egypt on August 27, Lebanon signed an agreement with Egypt for the purchase of surplus electricity, implementing one of the measures pledged in the ministerial policy statement. However, the GOL still needs to

negotiate the price with the Egyptian authorities, and is asking for preferential rates as a sign of Egypt's support to Lebanon. So far, however, the Egyptians are asking for "exorbitant" rates, according to Lebanese Energy Minister Tabourian. Lebanon will also study a Jordanian offer for additional power supply in order to reduce severe power rationing all over Lebanon. In recent months, people have taken to the streets in several regions, burning tires and blocking roads, to protest severe power outages.

CENTRAL ADMINISTRATION OF STATISTICS
LAUNCHES CHILDREN AND WOMEN SURVEY

14. (U) On August 28, the Central Administration of Statistics (CAS), in collaboration with UNICEF and under the patronage of PM Siniora, launched the 2008 Multiple Indicator Cluster Survey (MICS3) that will gather statistics on children and mothers in Lebanon. CAS Director General Dr. Maral Totalian indicated that the results of the survey would provide the basis for sound economic, social, and health policies. Collection of data on the ground is expected to begin in October 2008.

EC: LEBANON HAS PROGRESSED
IN SIMPLIFYING TRADE

15. (U) According to the European Commission (EC)'s latest progress report on Lebanon's implementation of its Action Plan for the European Neighborhood Policy, Lebanon has made progress in simplifying trade. The report noted that dismantling of tariffs on European industrial and certain agricultural products has already taken place, while import procedures have been simplified, and

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restrictions on import and export activities of foreigners were removed. An upgraded consumer protection law was adopted, and draft regulations dealing with liability for defective products and general product safety comply with relevant EU legislation. The report mentioned that the EC is assisting Lebanon in improving the business climate with a new business code and bankruptcy law. The report also cited, key obstacles remaining for foreign investment, including difficulty in enforcing contracts, the absence of commercial courts, and lack of an independent judiciary.

KUWAITI FUND LAUNCHES DEVELOPMENT
PROJECTS IN THE SOUTH

16. (U) Daily An-Nahar newspaper reported on August 25 the launch of the Kuwaiti Fund for Arab Economic Development's projects in the province of Nabatieh in the south, covering 25 villages. The projects, valued at around \$185 million, are part of the Fund's grant for reconstruction in the aftermath of the 2006 July War, mostly focusing on water and waste ater, as well as roads.

EFG HERMES ESTIMATES 3.
PERCENT GROWTH IN 2008

17. (U) In its most recent report on MENA economies, leading investment bank EFG Hermes indicated that Lebanon seems to be reaping short-term gains from the current political stability. However, it kept its 2008 growth forecast at 3.5 percent, as economic growth has displayed volatility in recent years, and 4.5 percent growth for 2009. In nominal terms, the report expected a GDP of \$27.6 billion in 2008 and \$30.7 billion in 2009. While inflation reached a historical high of 9.3 percent in 2007, it was expected to decrease slightly to around eight percent in 2008. EFG Hermes estimated the 2008 trade deficit at 39 percent of GDP in 2008, while it expected the balance of payments to reach around \$2 billion by year-end.

LEBANON GETS LOW MARKS GLOBALLY IN
ENVIRONMENTAL PERFORMANCE INDEX

18. (U) According to the Environmental Performance Index, Lebanon ranked 90 out of 149 countries worldwide, and 9 out of 12 MENA countries, in terms of environmental performance. The index -- issued by Columbia and Yale Universities, in collaboration with the Joint Research Center of the European Commission, and the World Economic Forum -- ranks countries on 25 indicators grouped into six categories: environmental health, air pollution, water resources, biodiversity and habitat, productive natural resources, and climate change.

NUMBER OF TOURISTS TO REACH
TWO MILLION A YEAR BY 2020

19. (U) The World Tourism Organization (WTO) noted in its latest report "Tourism 2020 Vision" that incoming tourists to Lebanon averaged around one million visitors each year the past four years, a shaky period for Lebanon's tourism sector. The WTO expects the number of tourists to reach almost two million a year by 2020. The report noted rising tourist spending, with the average outlay for a tourist traveling in Lebanon reaching \$4,300.

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